

Tehama County Economic Forecast

Tehama County is located in Northern California, bordering Glenn County to the south, and Shasta County to the north. Tehama County has a population of 60,020 people and 17,220 wage and salary jobs. The per capita income in the county is \$20,890, and the average salary per worker is \$32,050. In 2005 the median household income is estimated at \$43,700.

In 2004, 340 total wage and salary jobs were lost in Tehama County, representing a decline in employment of 1.9 percent. Non-farm employment lost 377 jobs, a 2.3 percent decline. However, the unemployment rate fell to 7.3 percent in 2004.

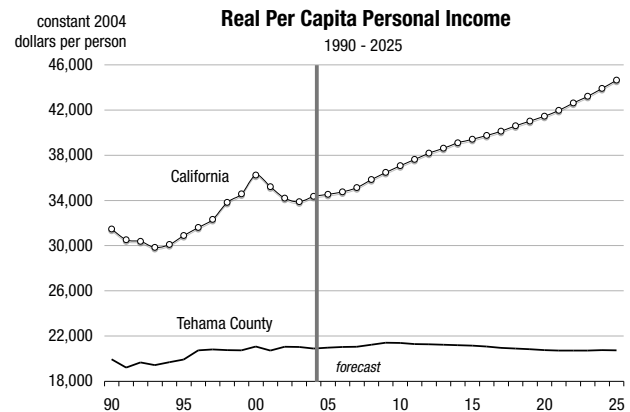
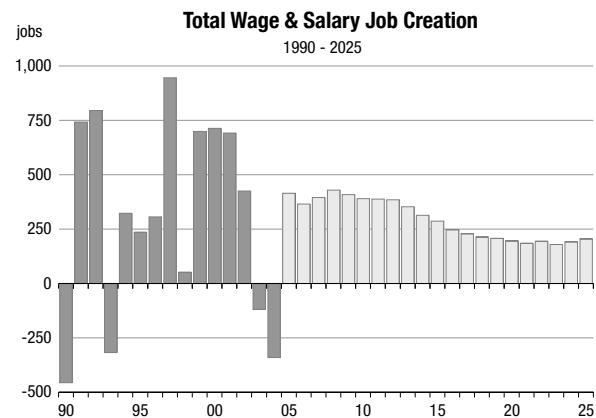
The largest sectors in the county are government, education and healthcare services, retail trade, and manufacturing. The principal sectors that are producing jobs in Tehama County are wholesale trade, retail trade, construction, and farm. Each of these sectors created 30 or more jobs in 2004. The construction sector created the most new jobs last year, adding 90 workers. Several sectors lost a significant number of jobs in 2004. Employment in financial activities, government, and transportation and utilities declined by 120 or more jobs.

The population grew at a rate of 2.0 percent in Tehama County in 2004. The fastest growing cities in the county are Corning and Red Bluff, which grew 1.2 and 0.4 percent respectively between January 2004 and January 2005. Net migration was positive last year, with an estimated total of 945 migrants entering the county.

Employment growth is expected to increase over the next several years, driven primarily by non-farm job growth. Population growth will also increase, and net migration will remain at historically high levels.

Forecast Highlights

- Non-farm job growth is forecast to turn positive in 2005, with non-farm employment increasing just over two percent. Job growth is expected to remain at this level over the next five years, averaging 2.3 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation-adjusted salaries are expected to rise an average of 1.5 percent per year over the next 5 years.
- Between 2005 and 2010, the momentum for employment growth is in government and transportation and utilities. These sectors account for over 93 percent of all jobs created in the county over the next five years. Manufacturing employment is forecast to continue to decline over the forecast period.
- The population in the county will continue to grow, and at a faster rate than the state average. Annual growth in the 2005 to 2010 period averages 2.4 percent per year. Average



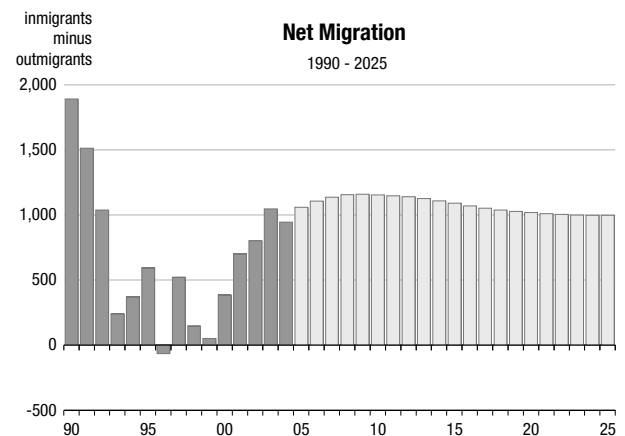
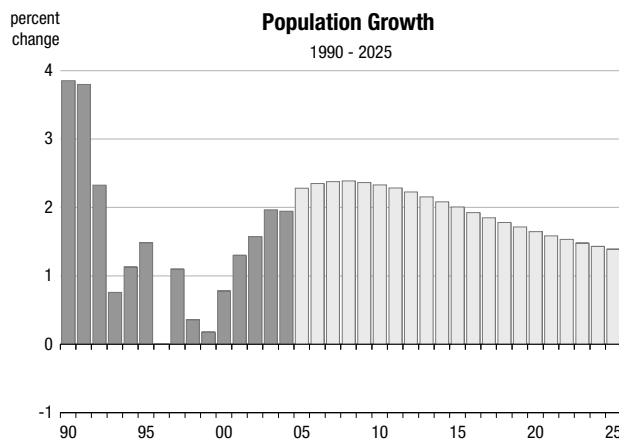
growth in the state during this same period is 1.5 percent per year.

- Net migration will increase to an estimated 1,060 people in 2005. Over the next five years net migration is expected to average 1,140 net migrants entering the county per year.
- Real per capita income is forecast to increase 0.4 percent in 2005. Over the next five years real per capita incomes are expected to increase an average of 0.4 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to rise at a rate of 2.7 percent in 2005. Over the next five years real taxable sales are forecast to increase 3.1 percent per year.
- Industrial production is forecast to increase 6.8 percent in 2005. Over the next five years the growth rate of industrial production will average 6.3 percent per year. Total crop production, adjusted for inflation, is expected to increase an average of 1.5 percent per year between 2005 and 2010.

Tehama County Economic Forecast

1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	54,600	594	52.1	20.8	233	\$0.36	\$0.83	\$19,929	2.0	131.2	0.27	11.3
1996	54,600	-64	52.7	21.2	154	\$0.39	\$0.88	\$20,742	2.3	147.4	0.29	10.7
1997	55,200	522	50.3	21.4	95	\$0.38	\$0.93	\$20,811	3.4	156.1	0.42	9.3
1998	55,400	146	53.1	21.6	154	\$0.40	\$0.96	\$20,747	3.2	108.0	0.41	8.8
1999	55,500	52	54.7	21.8	155	\$0.43	\$1.00	\$20,736	4.2	111.7	0.44	6.8
2000	55,933	385	56.4	21.0	221	\$0.47	\$1.07	\$21,077	4.5	122.1	0.50	6.4
2001	56,660	703	59.5	21.1	186	\$0.50	\$1.12	\$20,725	5.4	123.5	0.46	6.5
2002	57,552	802	61.2	21.4	298	\$0.51	\$1.18	\$21,061	1.6	130.2	0.47	7.2
2003	58,683	1,047	61.1	21.7	430	\$0.57	\$1.22	\$21,025	1.8	125.1	0.51	7.6
2004	59,825	945	65.6	22.0	640	\$0.57	\$1.25	\$20,885	1.2	138.4	0.51	7.3
2005	61,191	1,059	69.6	22.6	617	\$0.60	\$1.31	\$20,977	1.7	141.7	0.54	6.7
2006	62,629	1,107	73.0	23.2	616	\$0.64	\$1.38	\$21,034	2.7	144.5	0.58	6.8
2007	64,119	1,137	76.0	23.8	591	\$0.68	\$1.45	\$21,057	2.6	147.1	0.62	6.6
2008	65,651	1,157	78.7	24.3	575	\$0.71	\$1.54	\$21,221	2.6	149.4	0.66	6.3
2009	67,205	1,160	81.0	24.9	557	\$0.75	\$1.63	\$21,414	2.5	151.2	0.70	6.3
2010	68,771	1,154	83.0	25.4	555	\$0.80	\$1.71	\$21,395	2.7	152.7	0.74	6.2
2011	70,344	1,148	84.7	25.9	555	\$0.84	\$1.79	\$21,291	2.7	154.0	0.77	6.1
2012	71,911	1,141	86.3	26.5	554	\$0.88	\$1.88	\$21,260	2.8	155.1	0.81	5.9
2013	73,461	1,127	87.8	27.0	549	\$0.92	\$1.97	\$21,226	2.9	156.0	0.85	5.6
2014	74,990	1,109	89.1	27.5	544	\$0.97	\$2.07	\$21,195	2.9	156.8	0.88	5.5
2015	76,495	1,091	90.2	28.0	539	\$1.01	\$2.17	\$21,142	3.1	157.5	0.91	5.6
2016	77,969	1,070	91.0	28.5	530	\$1.06	\$2.27	\$21,065	3.0	158.0	0.94	5.7
2017	79,412	1,052	91.7	29.0	512	\$1.10	\$2.36	\$20,945	2.9	158.5	0.98	5.9
2018	80,826	1,038	92.2	29.5	490	\$1.14	\$2.46	\$20,899	2.7	159.1	1.01	6.0
2019	82,213	1,028	92.7	30.0	466	\$1.19	\$2.57	\$20,827	2.8	159.4	1.04	6.0
2020	83,569	1,019	93.1	30.4	452	\$1.24	\$2.67	\$20,758	2.7	159.6	1.08	6.0
2021	84,895	1,010	93.4	30.8	431	\$1.28	\$2.78	\$20,718	2.6	159.7	1.11	5.9
2022	86,197	1,006	93.7	31.2	421	\$1.34	\$2.89	\$20,721	2.6	159.8	1.13	6.0
2023	87,470	1,000	93.9	31.6	425	\$1.39	\$3.02	\$20,717	2.7	159.9	1.15	6.0
2024	88,721	998	94.1	32.1	429	\$1.45	\$3.15	\$20,749	2.7	160.0	1.17	5.9
2025	89,956	998	94.4	32.5	432	\$1.51	\$3.28	\$20,741	2.7	160.0	1.19	5.8



Tehama County Employment Forecast

1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
1995	13.8	1.31	0.33	2.32	0.41	2.02	0.57	0.45	0.12	1.47	1.36	2.82
1996	14.1	1.52	0.37	2.25	0.44	2.10	0.60	0.45	0.11	1.46	1.28	2.91
1997	15.1	1.47	0.32	2.35	1.41	2.09	0.56	0.55	0.10	1.36	1.13	3.06
1998	15.1	1.21	0.32	2.41	1.42	2.20	0.58	0.70	0.11	1.32	1.11	3.13
1999	15.8	1.33	0.37	2.37	1.46	2.40	0.64	0.70	0.11	1.45	1.18	3.22
2000	16.6	1.48	0.50	2.38	1.63	2.35	0.63	0.73	0.10	1.57	1.04	3.56
2001	17.3	1.43	0.54	2.35	1.69	2.16	0.63	0.85	0.11	1.75	1.20	3.93
2002	17.7	1.30	0.58	2.33	1.73	2.21	0.66	0.75	0.10	1.94	1.24	4.27
2003	17.6	1.21	0.58	2.33	1.76	2.29	0.64	0.63	0.10	1.86	1.18	4.42
2004	17.2	1.24	0.67	2.28	1.63	2.36	0.45	0.64	0.12	1.79	1.16	4.29
2005	17.6	1.29	0.73	2.27	1.85	2.40	0.46	0.67	0.13	1.79	1.15	4.31
2006	18.0	1.30	0.74	2.26	2.06	2.44	0.46	0.69	0.13	1.78	1.14	4.41
2007	18.4	1.30	0.76	2.24	2.25	2.47	0.46	0.74	0.13	1.77	1.14	4.55
2008	18.8	1.29	0.78	2.23	2.44	2.50	0.47	0.79	0.13	1.77	1.13	4.72
2009	19.2	1.30	0.78	2.21	2.61	2.53	0.47	0.84	0.14	1.76	1.13	4.89
2010	19.6	1.30	0.78	2.20	2.76	2.55	0.47	0.90	0.14	1.75	1.13	5.06
2011	20.0	1.31	0.79	2.19	2.90	2.58	0.47	0.96	0.14	1.75	1.13	5.22
2012	20.4	1.31	0.79	2.19	3.03	2.60	0.48	1.01	0.14	1.78	1.13	5.37
2013	20.8	1.31	0.79	2.18	3.14	2.63	0.48	1.06	0.15	1.81	1.13	5.51
2014	21.1	1.31	0.79	2.18	3.24	2.65	0.49	1.10	0.15	1.85	1.13	5.62
2015	21.4	1.31	0.80	2.18	3.33	2.67	0.49	1.14	0.15	1.89	1.13	5.72
2016	21.6	1.31	0.80	2.18	3.42	2.69	0.49	1.16	0.15	1.93	1.13	5.80
2017	21.8	1.31	0.80	2.18	3.50	2.70	0.49	1.18	0.15	1.98	1.13	5.86
2018	22.0	1.30	0.81	2.18	3.57	2.72	0.49	1.20	0.15	2.03	1.13	5.91
2019	22.3	1.30	0.81	2.17	3.64	2.74	0.49	1.22	0.15	2.10	1.13	5.95
2020	22.4	1.30	0.80	2.18	3.70	2.76	0.50	1.25	0.16	2.17	1.13	5.98
2021	22.6	1.30	0.80	2.18	3.76	2.77	0.50	1.27	0.16	2.23	1.13	6.01
2022	22.8	1.30	0.80	2.17	3.81	2.79	0.50	1.29	0.16	2.30	1.13	6.04
2023	23.0	1.30	0.80	2.17	3.86	2.81	0.50	1.31	0.16	2.36	1.13	6.07
2024	23.2	1.30	0.80	2.16	3.91	2.83	0.50	1.33	0.16	2.42	1.13	6.11
2025	23.4	1.30	0.81	2.15	3.96	2.85	0.51	1.35	0.17	2.49	1.13	6.15

